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Officials Say Policy on Terrorism Intact Despite U.S.'s Covert Dealings With Iran

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WASHINGTON—Amid mounting criticism of its secret dealings with Iran, the White House insisted it hadn't broken any laws and asserted that its "policy of not making concessions to terrorists remains intact."

White House spokesman Larry Speakes said President Reagan called a meeting of his advisers on national security yesterday to review the administration's "ongoing efforts" to free the remaining American hostages in Lebanon and the implications of those efforts for U.S. policy in the Middle East.

Administration officials claimed that the U.S. hasn't sent arms to Iran in violation of the law. But they conceded privately that U.S. arms have been sent to Israel to compensate for spare parts and ammunition shipped from Israel to Iran. The shipments to Iran, these sources said, have included parts for that country's F-4 Phantom jets and C-130 transport planes.

In addition to holding secret talks with Iran, administration sources said, U.S. officials discussed with various intermediaries the possibility of paying ransom to a Lebanese group that claimed to have kidnapped American librarian Peter Kilburn. The sources said the identity of the kidnappers wasn't clear and no ransom was ever paid.

The sources said one motive for such negotiations was the desire to keep the American hostages from falling under the control of Libya's Col. Moammar Gadhafi. Earlier this year, U.S. intelligence sources reported circumstantial evidence that Mr. Gadhafi had tried to buy control of some American hostages for as much as \$6 million each.

Some U.S. officials suspect that Libya may have been behind the slaying of Mr. Kilburn and two British hostages shortly after the U.S. bombing raid on Libya in April.

Ever since Iranians leaked word last week of secret U.S. efforts to improve relations with Iran and win the release of U.S. hostages, top U.S. officials have tried to reassure Saudi Arabia, Iraq and other Arab states that Washington is continuing its efforts to halt the flow of arms to Tehran and isn't tilting toward Iran in that country's war with Iraq.

Arab diplomats in Washington, along with a number of the administration's own senior officials, have expressed concern that the secret negotiations with Iran, con-

ducted by the White House, have seriously undermined the administration's counter-terrorism policy and have damaged relations with moderate Arab states and with the European allies.

Mr. Speakes insisted in his statement last night that there has been "unanimous support for the president" from his senior advisers. But U.S. officials have said privately that both Mr. Shultz and Defense Secretary Caspar Weinberger initially objected to the plan to permit the shipment of spare parts to Iran. Over the weekend, some officials speculated that Mr. Shultz, who has spearheaded the administration's anti-terrorism effort, might resign. But yesterday, State Department spokesman Charles Redman said, "The secretary has no plans to resign."

Mr. Speakes, attempting to deflect questions about Iran from the news media, suggested that "speculative reporting" has hampered efforts to free hostages still held in Lebanon. "Coverage of the entire hostage and Iranian matter has made it very difficult" to work on the hostage-release effort, he said.

Attempting to underscore its assertion that U.S. policy toward Iran is unchanged, the White House said it sent to the Speaker of the House President Reagan's annual re-certification of an order freezing certain Iranian assets in the U.S. The order has been in effect since President Carter initiated it in November 1979.

"The crisis between the United States and Iran that began in 1979 has not been fully resolved," the president said in a statement released by the White House.

Meanwhile, reaction against the administration's covert dealings with Iran continued to grow on Capitol Hill. An aide to Rep. Lee Hamilton (D., Ind.) said the lawmaker plans to hold hearings, perhaps as early as this month, on the administration's actions concerning Iran. Rep. Hamilton is chairman of the House Intelligence Committee and the House Foreign Affairs Subcommittee on Europe and the Middle East.

Asked whether the White House would answer questions from Congress about the Iran affair, Donald Regan, the White House chief of staff, said, "There's such a thing as executive privilege, you know." But later, at a briefing, Mr. Speakes refused to say whether the administration would invoke executive privilege and refuse to respond to Congressional queries. "We'll give them a detailed briefing" when the White House thinks the time is appropriate, Mr. Speakes said.